

The ABC's of Homeowners Insurance

Homeowners Insurance

When you are shopping for homeowners insurance it is important that you understand what types of coverage you need and what damage your policy will cover. There are four main types of homeowners insurance coverage.

Types of homeowners insurance coverage:

- Property Coverage
 - This coverage will cover damage to the contents of your home.
- Additional Living Expense (ALE)
 - This coverage will cover expenses incurred if your home is not habitable such as temporary relocation expenses, food, and storage)
- Personal Liability
 - This coverage will cover costs associated with a claim from bodily injury or property damage.
- Medical Payments
 - This coverage will pay medical payments for guests or invitees accidentally injured at your home.

Insurance coverage protects your home and family against any number perils or dangers. The chart below summarizes which policies cover each peril.

Perils/Dangers Covered	HO-2 Broad Form	HO-3 Special Form	HO-8 Modified Coverage
Fire or lightning	X	X	X
Windstorm or hail	X	X	X
Explosion	X	X	X
Riot or civil unrest	X	X	X
Aircraft	X	X	X
Vehicles	X	X	X
Smoke	X	X	X
Vandalism	X	X	X
Theft	X	X	X
Falling objects	X	X	
Weight of ice, snow, or sleet	X	X	
Accidental discharge or overflow of water or steam	X	X	
Sudden or accidental tearing apart, cracking, burning, or bulging	X	X	
Freezing	X	X	
Sudden or accidental damage from artificially generated electrical current	X	X	
Volcanic eruption	X	X	
Open peril on building		X	
Sinkhole		X	X

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PROTECTING YOURSELF AGAINST HOMEOWNERS INSURANCE DISCRIMINATION

Your home may be the most significant investment that your family will make. It is very important that you protect your home by insuring it against loss due to physical damage to the structure or loss to the contents within the home.

The Fair Housing Act is a federal law that prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions including homeowners insurance, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). Additionally, Palm Beach County prohibits discrimination in housing based on sexual orientation, age, and marital status.

The Fair Housing Act protects homeowners against unfair treatment by insurance companies in the sale or terms of homeowners insurance. Below is a list of insurance practices that may constitute discrimination under the Fair Housing Act:

- Insurance companies **may not charge higher rates** based on the homeowner's race, color, national origin, religion, sex, familial status, and handicap (disability), sexual orientation, age, and marital status.
- Insurance companies **may not offer different terms or conditions** based on race, color, national origin, religion, sex, familial status, and handicap (disability), sexual orientation, age, and marital status.
- Insurance companies **may not refuse or deny coverage** based on race, color, national origin, religion, sex, familial status, and handicap (disability), sexual orientation, age, and marital status.
- Insurance companies **may not treat homeowners differently** because of the composition of the area that their home is located. In other words, an insurance company can not increase rates or offer different products just because the home is located in an area predominately composed of minorities.

Special Protections for Victims of Domestic Violence

Florida Law prohibits insurance companies from basing policy decisions on the homeowner's involvement in a domestic violence incident as a victim. In other words, it would be unlawful for an insurance company to refuse to increase the rate or premium of a victim just because the individual has sought protection from law enforcement due to domestic violence.

Where to turn to for help...If you feel that you are being targeted or treated unfairly by your insurance company, agent, or adjuster because of your race, sex, color, disability, religion, national origin, familial status, sexual orientation, age, or marital status you may contact the Legal Aid Society of Palm Beach County at 561-655-8944 to discuss your rights.

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